



Snohomish County

Facilities & Fleet
Facilities Management

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01/27/23

January 27

~~January 20, 2023~~

Dave Somers
County Executive

**MEMORANDUM OF UNDERTANDING CONCERNING PURCHASE AND SALE AGREEMENT
BETWEEN SNOHOMISH COUNTY AS BUYER AND MISSION COVENANT CHURCH AS SELLER
FOR REAL ESTATE LOCATED AT 4502 RUCKER AVENUE, EVERETT, WA 98203**

Snohomish County (the "County") is prepared to purchase that certain real property located at 4502 Rucker Ave., Everett, WA, 98203, commonly known as Hope Church Everett (the "Property"), owned by Mission Covenant Church, The Mission Covenant Church Everett, and First Covenant Church of Everett (collectively the "Seller") and listed for sale by KW Commercial (the "Listing Broker"). This memorandum sets forth the proposed key terms and conditions pursuant to which the County would purchase the Property from the Seller.

This memorandum of understanding shall not be binding on either party. Upon agreeing to the key terms and conditions for a purchase and sale of the property, the parties will proceed to draft and negotiate a binding purchase and sale agreement to be approved by the Seller and Snohomish County Council.

Property Description: A religious facility containing 18,637 square feet of improvements located on approximately 2.36 acres of land on 7 tax parcels. Tax Parcel ID Nos. 00407800601500, 00605502000000, 00407800700100, 00407800700500, 00407800700202, 00605501900500, 00605501900600. Abbreviated legal description: Portions of Victory Heights Addition to Everett and Portions of Central Park Addition to Everett, all situate in the County of Snohomish, State of Washington.

Purchase Price: The purchase price shall be FOUR MILLION TWO HUNDRED THOUSAND AND 00/100'S (\$4,200,000), approximately \$225 per square foot of all the improvements.

All Cash Offer: This is an ALL-CASH offer. There will be no financing of the purchase price. The purchase price will be a cash purchase.

No Buyers Broker: The County has not hired and does not intend to hire a Buyers RE Broker for this transaction. The Buyers RE Broker's Commission of 1.5% offered by the Listing Broker may stay with the Seller.

Earnest Money: The County shall deposit 3% of the purchase price (\$126,000.00) into an escrow account ("Earnest Money Deposit") within three (3) days after execution of a purchase and sale agreement.

Due Diligence: The County shall have seventy-five (75) days to conduct its due diligence including, but not limited to, the items listed below.

1) TITLE REVIEW – The Seller has ordered an ALTA Commitment For Title Insurance from Chicago Title Company of Washington, Order No. 500138179.

2) ENVIRONMENTAL REVIEW – The Seller shall provide the County with any and all environmental records, reports, studies and other materials in its possession and control. The County may conduct any other environmental review it deems necessary, including, but not limited to, a Phase 1 and/or Phase 2 Environmental Site Assessment. The Seller shall cooperate with the County in obtaining any necessary regulatory approvals.

3) GENERAL PROPERTY INSPECTION – The Seller shall provide the County with any and all other documents and materials in its possession or control regarding the condition, use and/or operation of the property, including but not limited to any leases, licenses, subleases, operational contracts, surveys, easements, site plans, inspections, covenants, conditions, restrictions or reports. The County may conduct other property assessments, which may include a Facility Assessment Report, a hazardous materials survey, contamination testing, and/or specific trade inspections it deems necessary.

Escrow Agent: Closing will be through the escrow department of Chicago Title Insurance Company – Katie Brazel, AVP/Escrow Branch Manager. Closing will occur at the offices of Chicago Title, Everett, unless otherwise arranged.

Indemnification: Upon closing, the Seller shall indemnify the County against any environmental liability which was caused or in existence prior to the transfer of ownership.

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Holdover Occupancy: After Closing the Seller may continue to access the Property for a period of up to sixty (60) days (the “Holdover Period”) for the purpose of removing personal property. In lieu of rent for the Holdover Period, the Buyer shall receive a credit at closing in the amount of ~~Ten~~ **Seven** Thousand Dollars (~~\$10,000.00~~). Seller shall ensure that any residential tenants living on the Property have vacated the Property prior to closing. Seller will pay for all utilities during the Holdover Period. Buyer and Seller shall work together to transfer all utility services to start on the ending date of the Holdover Period.

\$7,000.00

ACCEPTANCE OF KEY TERMS & CONDITIONS OF REAL ESTATE PURCHASE AND SALE AGREEMENT AS DESCRIBED ABOVE.

SNOHOMISH COUNTY

MISSION COVENANT CHURCH EVERETT

Steven Tease
Steven Tease, Property Officer
Department of Facilities and Fleet

Authentisign
By: Bill Walles
It's: Owner
Date: 01/27/23

FIRST COVENANT CHURCH EVERETT

By: _____
It's: _____
Date: _____

APPROVED AS TO FORM:

Rey Bell 01/03/2023
Deputy Prosecuting Attorney